



State of Utah

DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER QUALITY

FILE UNDER

Michael O. Leavitt
Governor

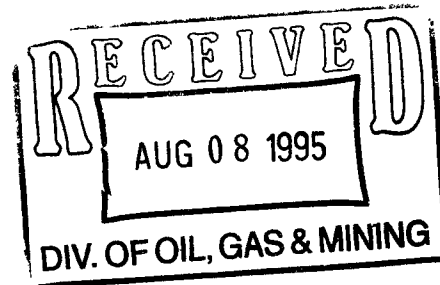
Dianne R. Nielson, Ph.D.
Executive Director

Don A. Ostler, P.E.
Director

288 North 1460 West
P.O. Box 144870
Salt Lake City, Utah 84114-4870
(801) 538-6146 Voice
(801) 538-6016 Fax
(801) 536-4414 T.D.D.

August 2, 1995

Mr. William Moeller
American Consolidated Mining Company
70 West Canyon Crest Road, Suite D
Alpine Utah 84004



Subject: Gold Hill Mill Project

Dear Mr. Moeller:

We have reviewed a copy of your Notice of Intention to Commence Small Mining Operations. We received a copy of the notice from the Division of Oil, Gas and Mining on June 14, 1995.

The mining company plans to re-open the subject mine and to modify the existing facility to process between 100 to 200 tons/day of ore. The ore will be crushed and ground and than run through a Wilfley table and floatation cells to make a concentrate. The concentrate will then be shipped to the Trail Smelter in Vancouver, British Columbia. The mine is located in Tooele County. Your letter states that our office approved the old facility in 1990, you may need to obtain an approval, from our office, for the proposed modifications.

We need to receive the following information in detail to continue our review:

1. A site plan.
2. Description of methods of handling sulfide bearing ore if such ore is to be disturbed.
3. A detailed description of the process facility.
4. A description of all chemicals that will be used in the process and information regarding concentration, quantity, storage, transport, generation and disposal of these chemicals.
5. The total amount of chemicals that will be used per day and per year.



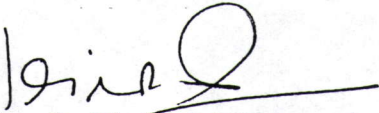
Mr. William Moeller
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6. A description and size of impoundments if proposed and how they are to lined to prevent or reduce leakage.
7. Procedures for the disposal of the mill tailings.
8. Describe the process to isolate, remove or control any toxic materials resulting from the refining or other operation at the facility.
9. Location and name of water courses that would be impacted or threatened by the operation.

Following our review of the proposed facility, we will advise you on whether a ground water discharge and/or construction permit is required for the process facility. The permits must be issued before you can begin construction of a process facility.


If we can be of further assistance, please contact me or Mr. Lyle Stott of my staff.

Sincerely,



Kiran L. Bhayani, P.E., D.EE.
Manager, Design Evaluation Section

KLB:LWS:lws:erb

cc:  Travis W. Jones - Division of Oil, Gas and Mining

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